



SECTION 3

Using the Capital Budgeting System and C100

3.1 Using the Capital Budgeting System

The following is a summary of the Capital Budgeting System (CBS) and is not intended to train you on its use or replace the CBS tutorial, which is a separate document.

Data element descriptions

CREATE PROJECT

Project title – Titles should convey location, facility name, and type of activity. Location is the site or complex name. Type of activity is a word or phrase that describes what you are proposing. Examples of appropriate titles are: "UWB/CCC Cuban History Hall; New Construction" or "Capitol Campus – West Campus; Design and Construct Parking Structure for 3,000 Cars."

Project number – The eight-digit number assigned to the proposed project can be generated automatically by the CBS in three parts. The format is YYYY-C-PPP, where: YYYY corresponds to the starting fiscal year of proposed implementation. C is the project class, and PPP is the unique project identifier within an agency (generally assigned in sequence by CBS and no longer represents priority).

Use the current project number information (starting fiscal year, class, and unique project identifier) if this project is currently listed in the Ten-Year Capital Plan. Enter the starting fiscal year and let CBS assign the unique project identifier for new project requests in the 2005-07 Biennium.

Project class – Represents the classification of each request as discussed in Section 1.2. The class selected serves as the middle digit of the project number.

1. Preservation project
2. Program project
3. Alternate financed project
4. Grant

GENERAL INFORMATION TAB

- **Previous project ID (if previously requested)** – Enter the previous project ID if this project was funded in a previous budget.
- **Is this project compliant with the Growth Management Act** – RCW 43.88.0301 requires several questions to be answered in conjunction with local coordination and the Growth Management Act. These will be handled as part of a paper submittal. See Section 12 for additional information. The Department of Community, Trade, and Economic Development (CTED) is required to assist agencies in answering the questions and is available to direct agencies how and where to obtain information. Contact CTED at (360) 725-3048.



OFM priority – The one-digit number that describes the OFM priority being addressed by this project is entered in the CBS.

1. Protection of people
2. Protection of assets
3. Protection of environment
4. Cost savings
5. Program need or requirement
6. Grant

The project priority structure classes are detailed in Section 1.3 of these instructions.

Project types and categories

Type of project – Select a category that best describes the proposed project.

A numbering system has been adopted for project type:

- 1) Health, Safety and Code Requirements (minor works)
- 2) Facility Preservation (minor works)
- 3) Infrastructure Preservation (minor works)
- 4) Program (minor works)
- 5) Remodel/Renovate/Modernize
- 6) New Facilities/Additions
- 7) Infrastructure
- 8) Grants
- 9) Acquisition-Land
- 10) Acquisition-Facilities
- 11) Alternate Financing
- 12) Special Programs
- 13) Project Management

Health, safety, and code requirements (minor works) are projects whose primary purpose is to correct facility or infrastructure deficiencies or conditions that: (a) adversely affect the health and/or safety of building occupants or users of the facility; or (b) are in violation of federal, state, or local codes or regulations.

Facility preservation (minor works) projects have a primary purpose to correct facility deficiencies or conditions that: (a) adversely affect the ability to utilize a facility or building system for its current programmatic use; (b) reduce the life expectancy of the facility or building system; and/or (c) increase the operating costs of the facility or building group for its current programmatic use.

Infrastructure preservation (minor works) projects have a primary purpose to correct infrastructure deficiencies or conditions that (a) adversely affect the ability to utilize the infrastructure for its current programmatic use; (b) reduce the life expectancy of the infrastructure; and/or (c) increase the operating costs of the infrastructure for its current programmatic use. Infrastructure preservation projects shall be grouped into the following:

- Structures and surface improvements (roads, bridges, sidewalks, curbs, parking lots, water drainage/retention, culverts, retaining walls, tunnels, etc.).
- Site amenities (e.g., landscaping, lighting, etc.).
- Utility systems (outside building footprints).
- Natural environment changes or requirements as part of an environmental regulation.

Program (minor works) projects have a primary purpose to accomplish a program goal including but not limited to: improving the quality of existing space; reconfiguring or altering the use of existing space; and/or adding space. Minor works program projects are intended for incidental expansion of space and not to acquire new facilities. Program projects shall be grouped into agency defined subcategories that are consistent with and reflect the agency's programs, functional activities, and/or departments; the geographic location of facilities; and/or the agency's strategic goals.

Remodel/renovate/modernize – The state accounting guidelines refer to this type of project as "extraordinary repairs, betterment, or improvements." Included within this category are expenditures that increase future benefits from an existing fixed asset beyond its previously assessed standard of performance. Increased future benefits typically include:

- An extension in the asset's estimated life.
- An increase in the capability of an existing fixed asset.
- A substantial improvement in the quality of an asset.

An example of a project in this category is the replacement of the mechanical and electrical systems, which results in the extension of a building's useful life.

New facilities/additions – This project type is used to identify construction of a new structure on either existing property or on property purchased as part of the total project. An addition is a project that expands or extends and is physically linked to an existing fixed asset. An example of an addition is the construction of a new wing for an existing building.

Infrastructure – Projects to create or repair utility or transportation systems, provide for flood control, improve navigable waterways, and improve energy systems are examples of infrastructure improvements.

Grants – Grant projects provide capital appropriations to state, tribal, local, or community organizations for special facilities. In general, grant programs are either established in statute or have specific legislative provisions associated with the dispensation of the appropriated funds.



Acquisition, land – This type of project includes the acquisition of land, but not facilities. An example of an acquisition is the purchase of a tract of land to construct a new facility. Acquisitions should be requested separately from other project requests except where the purchase is part of a new facility or new addition and acquisition costs are included in another project category. This category does not include programs that provide grants for land acquisition.

Acquisition, facilities – Acquisition of a facility generally also includes the land on which the facility exists. Acquisitions should be requested separately from other project requests except when the purchase is part of a new facility or a new addition and acquisition costs are included in another category.

Alternate financing – This category is the acquisition of space (or improvements to existing space) through a contractual agreement where a third party provides the capital facility or is financed by a Certificate of Participation.

Special programs – This includes "project non-specific" programs, such as the Housing Trust Fund Program, various referendum programs, pass-through grants to local governments, etc.

Project management – This category is for agencies that budget project management personnel with a single appropriation. For example, the Department of General Administration funds Engineering and Architectural Services this way. The Department of Social and Health Services also uses this approach.

Description tab

Project published summary – Each project should have a brief description of its purpose, written in complete sentences. This text will be loaded into the OFM BuildSum system and will serve as the starting point for OFM text that describes items funded in the Governor's budget. Strive for succinct, precise, and non-technical text. The text should avoid jargon and acronyms and be clear to an audience that isn't necessarily an expert on the issue.

Project description

Project description – This narrative should briefly describe the nature of the project – why it is necessary, what it is, where it is, and what it will do (e.g., “this project will renovate three wards at Western State Hospital in order to meet fire/safety requirements”) – and identify the increased or new service benefits the agency will be able to provide to the public or its clients. Describe any factors that may place the project schedule at risk such as environmentally sensitive site location, possible presence of archaeological or historical assets, and/or possible contamination of the site or buildings undergoing renovation. Include information on which statewide result is supported by the project and how the project supports agency goals, objectives, and activities.

The Project Description text block in CBS will pre-fill with appropriate questions for each project format. Use these questions as a guide. They may be edited and deleted as necessary to help you write a thorough description of the project.

Reappropriations – Explain the current status of the project, specifically what the reappropriation is to be used for and when the work will be complete. Indicate the number of times that the project funds have been reappropriated and the percentage of the original appropriation that remains unexpended and explain why the appropriation remains unexpended.

Sub-projects and funding tab

This tab is for entering data on how the project is to be funded.

- **Fund code** – Fund code and appropriation type (e.g., 057-1).
- **Estimated total cost (automatically calculated)** – The estimated total escalated cost of the project (for all biennia).
- **Prior biennium expenditures** – Expenditures made through June 30, 2003. (Any historical data used by an agency in preparing its capital budget request must agree with the end-of-biennium actual expenditures as reported through AFRS.)
- **Current biennium expenditures** – All actual and estimated expenditures between July 1, 2003 and June 30, 2005 are identified.
- **Reappropriations** – The estimated amount of the 2003-05 appropriation that will be required for reappropriation in the 2005-07 Biennium. It is important to ensure that current biennium expenditures plus the reappropriation do not exceed the original appropriation authority.
- **New appropriations** – The new appropriation request for the 2005-07 Biennium.
- **Future Biennia** – Any project costs in the four subsequent biennia (including inflation allowances) are shown here.

Operating impact tab

Information about project operating and administration costs and FTEs associated with the project are entered here.

The operating budget costs (or savings) associated with the proposed project, including the cost of staffing, maintaining the facility, and costs to repay debt service is shown here.

Project summary tab

The **Project Summary** tab summarizes the project cost estimates by phase and category from one or more C100 worksheets. This summary can be imported from the Excel C100 template (see Appendix C) created text file or may be hand entered if the template is not available. Imported projects will assume the agency, project number, and project title as defined in the opened project where the import is requested. All information on the **Project Summary** tab will be electronically submitted to the OFM Budget Division.

3.2 Completing Form C100

C100 is a tool

The Capital Project Cost Estimate Form (C100) is a tool to provide assistance in creating a project construction budget. It can also be an analytical tool to help agency management and executive and legislative decision makers understand the costs and other aspects associated with the project. Similarly, it can measure capital construction performance at both the agency and institution level and in a statewide perspective. The C100 is NOT an accounting tool; it does not create lines of cost codes nor does it create an association of funds for payment of the budgeted items. Guidelines for preparing the C100 are in Appendix C.